

**MEMORANDUM OF UNDERSTANDING
BETWEEN
MICHIGAN DEPARTMENT OF NATURAL RESOURCES
AND
MICHIGAN DEPARTMENT OF AGRICULTURE**

This Memorandum of Understanding between the Michigan Department of Natural Resources (MDNR) and the Michigan Department of Agriculture (MDA) is entered into for the purpose of identifying funding support for the Conservation Reserve Enhancement Program (CREP). The objective of the CREP is to reduce soil erosion, improve water quality, and to enhance wildlife habitat by providing private landowners incentives to implement conservation practices.

The MDNR and MDA work cooperatively to promote sound natural resources conservation on Michigan's farmlands. This agreement will foster an expansion of this cooperation.

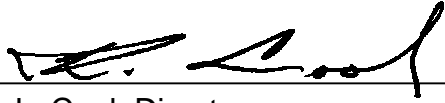
The MDNR and the MDA agree to the following:

1. The MDNR Wildlife Division is the CREP administrative/fiscal agent for the MDNR whose project representative is the Chief of the Wildlife Division. The MDA Environmental Stewardship Division is the CREP administrative/fiscal agent for the MDA whose project representative is the Director of the Environmental Stewardship Division.
2. The MDNR shall provide input concerning administrative and technical oversight, training and educational opportunities for program implementation and operation, and participate in program evaluation and monitoring. The MDNR shall be a co-equal with the MDA and the Michigan Department of Environmental Quality in all program publicity, promotional materials, contracts, announcements, workshops or training sessions. Enhancement of wildlife habitat shall be identified as a co-equal program product along with enhanced water quality.
3. The MDNR will provide a total of \$10 million towards CREP from General Fund/General Purpose (GF/GP) funds appropriated in 1998 PA 278. The GF/GP funds will be transferred from the MDNR to the MDA by inter-departmental transfer on an as-needed basis. The GF/GP dollars can be spent at any time during the life of the program. The MDA agrees to submit semi-annual reports to the MDNR which list expenditures of these funds. The MDNR will establish all necessary work project requests to assure that these funds are carried forward.
4. The MDNR will also provide a total of \$6 million of Game and Fish funds towards the CREP over the 15-year life of the program. The funding source of the \$6 million may vary over the life of the program. The MDNR will provide Game and Fish funds to the MDA by inter-departmental transfers on an annual basis in the amount of \$400,000 per year for 15 years. The Game and Fish fund transfers shall commence with a semi-annual installment of \$200,000.00 at the beginning of Fiscal Year 2000-2001. Additional transfers of \$200,000.00 will be made semi-annually upon receipt of acceptable financial and programmatic documentation from the MDA. Advances will not be made prior to receipt of the agreed upon programmatic and financial reports unless approved by both agencies.

- a. The Game and Fish fund transfers to the MDA will be used only for the establishment of permanent conservation easements and as cost-share for establishment of the following conservation practices for wildlife habitat improvements:
 - CP1 Establishment of Permanent Introduced Grasses
 - CP2 Establishment of Permanent Native Grasses
 - CP5A Field Windbreaks
 - CP9 Shallow Water Areas for Wildlife
 - CP21 Filter Strips
 - CP22 Riparian Buffers
 - CP23 Wetland Restorations
 - b. The Game and Fish fund transfers will not be used for MDA salaries or other MDA administrative costs. The MDNR will establish all necessary work project requests to assure that these funds are carried forward, when appropriate.
 - c. The MDA Environmental Stewardship Division shall be responsible for program administration, awarding contracts, issuing payments for the implementation of the above listed conservation practices and for the establishment of conservation easements, and program evaluation.
 - d. The MDA agrees to submit semi-annual reports to the MDNR which list Game and Fish fund expenditures for the CREP program. Fiscal reporting shall include expenditures for each conservation practice, rental rates, cost share, and cost of easements. The reports shall identify the number of acres encompassed by each installed conservation practice and provide the county, township, and section number of the acreage. For each practice implemented, the reports shall identify the number of acres planted to warm season grasses, cool season grasses, trees, and shrubs; and acres of restored wetlands. Data will be maintained on an ongoing and current basis in an electronic database. The contents of the database will be made available to the MDNR Wildlife Division semi-annually or upon request.
5. The MDNR will continue to monitor wildlife populations, including pheasant, quail, waterfowl, and turkey populations within the CREP areas in order to evaluate the impact on wildlife populations and habitat. If present wildlife monitoring programs are not useful to evaluate program results, the MDNR will implement other procedures to estimate program results. The MDNR will work with the MDA to provide monitoring data within the CREP area by October 31 of each year for the duration of this agreement.
 6. This memorandum shall be effective December 1, 2000, and shall extend until December 31, 2016.

7. This memorandum may be subject to renegotiations necessitated by actions of the Michigan legislature, the Governor, or for any other reason deemed necessary and agreed to by both parties.

FOR THE MICHIGAN DEPARTMENT OF NATURAL RESOURCES:



K. L. Cool, Director

5-3-2001

Date

FOR THE MICHIGAN DEPARTMENT OF AGRICULTURE:



Dan Wyant, Director

5-4-01

Date